DEEPENING YOUR BUSINESS CONNECTION WITH MEXICO

Sylvia Montano **Commercial Specialist US Commercial Service** Mexico City



U.S. Commercial Service in Mexico

- The U.S. Commercial Service is an Agency of the U.S. Department of Commerce.
- Our mission is primarily to help small and medium sized, exportready companies to enter Mexico and to protect U.S. Business interests abroad.
- In Mexico we have three offices and a network of 100+ offices in the U.S. and 150 world-wide.





Services for U.S. exporters

Save your valuable time and money finding pre-qualified buyers, distributors, licensees, and other business partners with our assistance.

a) Personalized Business Matchmaking

Meet one on one with prescreened Mexican buyers, sales representatives and business partners through our Gold Key service.

b) Partner Search

Identify potential partners in Mexico and get detailed company reports. Determine the marketability of your product or service in Mexico.

c) Contact lists

Identify potential Mexican partners. Market your firm directly to Mexican companies.

http://www.export.gov/mexico/servicesforu.s.companies/businessmatchmak ing/index.asp



Crucial areas to learn about when entering the Mexican Market

Textile Rules of Origin

U.S. exporters must be aware of Textile rules of origin in order to avoid penalties from the Mexican customs and/or NAFTA verification audits conducted by Mexico's Tax Authority (SAT).

Common pitfalls:

- Made in the U.S.A. does not necessarily mean NAFTA Origin.
- Before issuing the NAFTA certificate of Origin, verify the rules of origin and content of the product.
- Reply to any questionnaire or letter from the Mexican Tax Ministry (SAT) as soon as you receive it.

Industry Standards & Labeling Requirements



- Two Mexican Industry standards:
- NOMs/Mexican Official Standards: these are Technical Regulations, including labeling requirements, issued by government agencies and ministries. Compliance is mandatory.
- **NMX**/Mexican "Voluntary" Standards: these are voluntary standards issued by recognized national standards-making bodies. Compliance is mandatory only when a claim is made that a product meets the NMX.
- U.S. textile exporters must be aware that the most important labeling standard for the textile & apparel industry is the NOM-004-SCFI-2006 which was amended with changes effective on February 21, 2013.

Tip. Market Entry Strategies.



Mexican Presence. The best strategy to enter the Mexican market is to find a local representative or distributor. With this, buyers feel secure that initial training, spare parts and service will be provided.

Local or Regional Representative. Due to regional concentration throughout Mexico, representation locally will yield better results than a single, nation-wide distributor.

Price. Price is important, but not necessarily the deciding factor.

Spanish. Be prepared to provide brochures, catalogs, and printed materials in Spanish. Keep websites international-user-friendly.

Tip. Mexican Business Culture.





Indirectness. Difficulty in saying "no".

Financing. Expect to negotiate on payment terms.

Consider full spectrum of options. Financing options are important.

Follow-up. Follow up quickly with your Mexican partner – there is abundant international competition.

Language. Use a qualified interpreter if needed.

Patience. Good things come to those that wait patience pays off.

Thank You!

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